

## **EXHIBIT H**

## **Minutes of the Committee on Compensation Meeting**

**November 3, 1993**

A duly called meeting of the Committee on Compensation of the Brigham Surgical Group Foundation, Inc. was held on Wednesday, November 3, 1993 at 12:00 p.m. in the Bay Tower Room Conference Center, 60 State Street, Boston, Massachusetts. The meeting was called to order at 12:30 p.m. by John A. Mannick, M.D., Chairman and President. In attendance were Directors Thomas M. Claflin, II; John F. Cogan, Jr., Esq.; Neil W. Wallace; and James M. Becker, M.D.; Secretary Lawrence H. Cohn, M.D.; Treasurer Timothy J. Eberlein, M.D.; Assistant Secretary Douglas F. MacGregor; Recording Secretary Daria J. Christensen; Robert T. Osteen, M.D.; Mark O. Dietrich, CPA of Dietrich & Wilson, P.C.; Louis H. Hamel, Esq. and Gary Brady, Esq. of Hale and Dorr.

The minutes of the Committee on Compensation Meeting held on November 2, 1992 were approved as previously distributed.

The Faculty Educational Benefit Plan Summary for the 1992-1993 Plan Year was reviewed. It was then voted as follows:

**VOTED:** To approve the report of the Faculty Educational Benefit Plan Summary for the 1992-1993 Plan Year.

Mr. MacGregor reviewed the Compensation Policy Changes which were previously voted on in lieu of a meeting. The changes were to eliminate participation in the Faculty Educational Benefit Plan (FEBP) for Instructors and to eliminate participation in the Unfunded Deferred Compensation Plan (UDC) effective July 1, 1994. An additional change for the rank of Instructor was to defer participation in the Faculty Retirement Benefit Plan (FRBP) for the first 3 years of employment. For the rank of Assistant Professors there will be deferred participation in the FEBP, FRBP and UDC for the first 3 years of employment.

The proposal to revise the Post-Termination Incentive Bonus Policy in the Compensation Policy was discussed and then voted as follows:

**VOTED:** To approve post-termination bonuses for all members who have completed four full years of employment with the Group. Post-termination bonuses would be equal to 50% of their post-termination NPI less any prior year deficits, including any deficits incurred through the first four full years of employment with the Group, and less any unauthorized research overruns not previously offset with pre-ceiling practice surplus of FRBP accruals. A terminating member must allocate any post-termination incentive bonuses against any second mortgage with the Group.

The proposal to reduce Non-OR Grant Support Salaries in the Compensation Policy was discussed and then voted as follows:

**VOTED:** To reduce the present two tier, 5% and 10% system of providing salary support for the principal investigators of research grants to a single 5% rate regardless of whether the grant includes a salary for the principal investigator. Salary support for the PI of research grants at the rate of 5% of the lesser of academic ceiling or grant direct costs will apply to each grant and will become effective November 1, 1993.

It was noted by Mr. MacGregor that all changes to the Compensation Policy were being proposed to further strengthen the academic incentives for new members of the Group, as well as to save money.

Dr. Mannick discussed fairness issues with the Brigham & Women's Hospital and compensation for Administrative positions. He announced a Department hiring freeze for Professional staff, and a Non-Professional salary freeze.

Mr. MacGregor briefly reviewed the Fringe Benefit Program and discussed the new legislation which will effect pension plans. As a result of this, it was expressed that the 403(b) Salary Reduction Program will become more popular.

The deferred income report was discussed by Mr. MacGregor and a question was raised by Mr. Hamel regarding a totally comprehensive insurance liability review to insure that the Directors of the Corporation are covered from any managerial negligence resulting in a patient problem. The Group has had a comprehensive insurance liability review and Mr. MacGregor will communicate the details of this policy to the Directors, in particular with regards to corporate assets.


Mr. MacGregor discussed the figures in Schedule A, Summary of FY93 Incentive Compensation; Schedule B, FY93 BSG\AAMC Salary Comparison; Schedule C, FY93 Total Cash & Deferred Income; Schedule D, FY93 Total Cash, Deferred Income & Fringes; and Schedule E, FY93 BSG/AAMC Salary Comparison including FY93 Unfunded Deferred Compensation of the Compensation Review Meeting booklet. These schedules reflect all compensation, direct and indirect, from any professional sources as well as fringe benefits and financial incentives for the faculty of the Group. It was particularly noted that the total cash and deferred income in the aggregate did not exceed the 80th AAMC percentile for cash compensation alone.

It was then voted by the Committee members Claflin, Cogan, Mannick and Wallace as follows:

**VOTED:** To approve the level of faculty compensation for the members of the Brigham Surgical Group Foundation, Inc. for the Fiscal Year 1992-93 as presented at the annual compensation review held on November 3, 1993 at the Bay Tower Conference Center, 60 State Street, Boston, MA 02109.

There being no further business before the Committee, the meeting was adjourned at 1:40 p.m.

Respectfully submitted,

  
Douglas F. MacGregor  
Assistant Secretary